

CHAPTER 11  
SECTION 13.1

## MEDICARE SUBVENTION DEMONSTRATION PROJECT (THE TRICARE SENIOR PRIME PROGRAM)

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### I. PURPOSE

The Department of Defense (DoD) has entered into an agreement with the Health Care Financing Administration (HCFA) for a three-year demonstration project to run from January 1, 1998 through December 21, 2000, under which Medicare will reimburse DoD for care provided to Medicare-eligible beneficiaries of the Military Health System (MHS). As part of this agreement, selected Military Treatment Facilities (MTFs) with support from the Managed Care Support (MCS) Contractor, integrated by their Lead Agent, will operate as Medicare+Choice Organizations (M+C Organizations), offering enrollment into TRICARE Prime to dually-eligible beneficiaries (beneficiaries who are eligible for care in the MTF and who are also eligible for Medicare). TRICARE Prime for dually-eligible beneficiaries shall be known as the TRICARE Senior Prime option. Refer to [OPM Part Two, Chapter 20, Section II.N.](#), ([TRICARE Procedures Manual, Chapter 15, Section 6](#)) for information on the Medicare Subvention Demonstration.

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